HONOURABLE SHRI JUSTICE R.SUBHASH REDDY

WRIT PETITION No. 9892 OF 2002

Dated 5th July, 2006

Between:
S.Hanumantha Rao

… Petitioner

And

The Executive Engineer, R& B Division,
Mahaboobnagar and another.

… Respondents

ORDER:

The petitioner, a Class-II contractor, has filed this writ petition to declare the action of the respondents in insisting on the submission of Tax Clearance Certificate from the Commercial Taxes Department for issuance of tender schedules as per the tender notice dated 26.4.2002 as illegal.

At the stage of admission, by order dated 21.5.2002, this court directed for issuance of tender schedule without insisting on submission of tax clearance certificate from the Commercial Taxes Department, subject, however, to the condition that in case, ultimately, the petitioner emerges as the successful bidder, the contract shall be awarded only on submission of the said certificate.

The case of the petitioner is that such a restriction was never imposed earlier. As such, the restriction now imposed is illegal and arbitrary.

For award of contracts, it is always open for the respondents to notify the conditions. The condition insisting on the production of tax clearance certificate can also be made to find out that the contractor is free from arrears of any tax etc. In that view of the matter, I do not find any illegality in imposing such a condition for furnishing tender schedules. But, however, if the petitioner is awarded the contract pursuant to the interim orders, he is entitled to complete the same.

Subject to above direction, the writ petition is disposed of. No costs.

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5.7.2006

(R.SUBHASH REDDY, J.)

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